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**CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA**

**Financial Report
For the Year Ended June 30, 2000**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 01/17/01

**CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA**

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2000

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**CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA**

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MONROE, LOUISIANA**

FINANCIAL REPORT

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Independent Auditor's Report

City of Monroe School Board Monroe, Louisiana

We have audited the accompanying general-purpose financial statements of the **City of Monroe School Board** (the School Board) as of and for the year ended June 30, 2000, as listed in the accompanying Table of Contents. These general-purpose financial statements are the responsibility of the School Board's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Louisiana Governmental Audit Guide*, issued by the Louisiana Society of Certified Public Accountants and the Louisiana Legislative Auditor. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the School Board as of June 30, 2000, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2000 on our consideration of the School Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

As further discussed in Note 15, the School Board has suffered recurring losses in the General Fund and the School Food Service Special Revenue Fund. These funds have deficit fund balances of approximately \$2.5 million and \$600,000, respectively. The impact on the School Board's ability to continue to meet its obligations is dependent upon

Monroe City School Board
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successful execution of its deficit reduction plan. The accompanying financial statements contain no adjustments which might be required, if any, from the outcome of this uncertainty.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the School Board taken as a whole. The accompanying financial information listed as Schedules in the Table of Contents is presented for purposes of additional analysis and is not a required part of the general-purpose financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

The financial information for the previous year which is included for comparative purposes was taken from the financial report for that year in which we expressed an unqualified opinion on the general purpose financial statements of the School Board.



(A Professional Accounting Corporation)

December 22, 2000

**GENERAL PURPOSE FINANCIAL STATEMENTS
COMBINED STATEMENTS - OVERVIEW**

CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 2000

	<u>Governmental Fund Types</u>			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
ASSETS				
Cash and Cash Equivalents	\$ 49,194	\$ 682,296	\$ 1,619,664	\$ 4,351,218
Investments	250,000	-	-	-
Accounts Receivable	1,509,806	856,640	35,309	-
Due From Other Governments:				
Due From Federal Sources	-	4,673,783	-	-
Due From State Sources	-	325,443	-	-
Due From Local Sources	-	-	-	-
Due From Other Funds	4,652,943	2,708,127	2,015,282	-
Inventory and Prepaid Expenses	13,259	96,404	-	-
General Fixed Assets	-	-	-	-
Amount Available in Debt Service Fund	-	-	-	-
Amount to be Provided for the Retirement of General Long-Term Debt	-	-	-	-
TOTAL ASSETS	\$ 6,475,202	\$ 9,342,693	\$ 3,670,255	\$ 4,351,218
LIABILITIES AND FUND EQUITY				
Liabilities				
Bank Overdraft	\$ -	\$ -	\$ -	\$ -
Accounts Payable	301,093	612,110	-	697,573
Salaries and Wages Payable	4,546,624	2,278,438	-	6,953
Due to Other Funds	4,093,592	5,282,760	-	-
Funds Held for Others	-	-	-	-
Amounts Held for Other Organizations	-	-	-	-
Deferred Revenues	-	2,126	-	-
General Obligation Bonds Payable	-	-	-	-
Certificates of Indebtedness Payable	-	-	-	-
Obligation for Compensated Absences	-	-	-	-
Total Liabilities	8,941,309	8,175,434	-	704,526
Fund Equity				
Investment in General Fixed Assets	-	-	-	-
Fund Balance (Deficit):				
Reserved for Inventory and Prepaid Expenses	-	-	-	-
Reserved for Capital Improvements	-	-	-	3,646,692
Reserved for Debt Service	-	-	3,670,255	-
Reserved for Salaries and Wages	-	1,727,384	-	-
Unreserved/Undesignated	(2,466,107)	(560,125)	-	-
Total Fund Equity (Deficit)	(2,466,107)	1,167,259	3,670,255	3,646,692
TOTAL LIABILITIES AND FUND EQUITY	\$ 6,475,202	\$ 9,342,693	\$ 3,670,255	\$ 4,351,218

The accompanying notes are an integral part of this financial statement.

Fiduciary Fund Type Agency Funds	Account Groups		Total	
	General	General	(Memorandum Only)	
	Fixed Assets	Long-Term Debt	June 30, 2000	June 30, 1999
\$ 474,884	\$ -	\$ -	\$ 7,177,256	\$ 7,254,122
112,858	-	-	362,858	6,493,398
-	-	-	2,401,755	2,466,238
-	-	-	4,673,783	2,841,337
-	-	-	325,443	653,729
-	-	-	-	4,509
-	-	-	9,376,352	4,690,368
-	-	-	109,663	259,037
-	80,341,475	-	80,341,475	75,912,241
-	-	3,670,255	3,670,255	3,599,671
-	-	50,313,085	50,313,085	52,491,337
<u>\$ 587,742</u>	<u>\$ 80,341,475</u>	<u>\$ 53,983,340</u>	<u>\$ 158,751,925</u>	<u>\$ 156,665,987</u>
\$ -	\$ -	\$ -	\$ -	\$ 707,304
-	-	-	1,610,776	1,214,967
-	-	-	6,832,015	7,842,965
-	-	-	9,376,352	4,690,368
-	-	-	-	70,026
587,742	-	-	587,742	679,553
-	-	-	2,126	-
-	-	50,575,000	50,575,000	52,600,000
-	-	1,380,000	1,380,000	1,500,000
-	-	2,028,340	2,028,340	1,991,008
<u>587,742</u>	<u>-</u>	<u>53,983,340</u>	<u>72,392,351</u>	<u>71,296,191</u>
-	80,341,475	-	80,341,475	75,912,241
-	-	-	-	80,282
-	-	-	3,646,692	6,944,523
-	-	-	3,670,255	3,599,671
-	-	-	1,727,384	1,492,471
-	-	-	(3,026,232)	(2,659,392)
-	80,341,475	-	86,359,574	85,369,796
<u>\$ 587,742</u>	<u>\$ 80,341,475</u>	<u>\$ 53,983,340</u>	<u>\$ 158,751,925</u>	<u>\$ 156,665,987</u>

CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2000
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1999

	General	Special Revenue	Debt Service	Capital Project	Total (Memorandum Only)	
					June 30, 2000	June 30, 1999
Revenues						
Local Sources:						
Taxes:						
Ad Valorem	\$ 7,611,238	\$ -	\$ 5,192,518	\$ -	\$ 12,803,756	\$ 12,368,159
Sales and Use Taxes	-	9,967,558	-	-	9,967,558	9,529,949
Earnings on Investments	26,353	56,304	82,532	329,089	494,278	833,479
Other	95,618	335,508	-	-	431,126	458,624
State Sources:						
Unrestricted Grants-in-Aid	24,388,808	-	-	-	24,388,808	24,692,398
Restricted Grants-in-Aid	459,098	694,504	-	-	1,153,602	1,244,916
State Contributions to Retirement Systems	54,672	-	-	-	54,672	59,190
Federal Sources:						
Restricted Grants-in-Aid:						
Direct	97,612	-	-	-	97,612	1,024,841
Subgrants	-	10,408,036	-	-	10,408,036	8,918,181
Total Revenues	<u>32,733,399</u>	<u>21,461,910</u>	<u>5,275,050</u>	<u>329,089</u>	<u>59,799,448</u>	<u>59,129,737</u>
Expenditures						
Current:						
Instruction:						
Regular Programs	12,415,643	6,287,448	-	-	18,703,091	20,270,655
Special Programs	4,194,842	7,267,009	-	-	11,461,851	8,997,052
Support Services:						
Student Services	1,113,440	4,557,625	-	-	5,671,065	5,871,068
Instructional Staff	352,444	1,333,354	-	-	1,685,798	2,025,801
General Administration	6,747,827	13,993	-	-	6,761,820	7,201,172
School Administration	1,636,366	331,284	-	-	1,967,650	2,076,811
Business Services	456,858	44,524	-	-	501,382	449,457
Plant Services	3,588,570	323,497	-	-	3,912,067	3,821,772
Transportation	1,766,644	159,979	-	-	1,926,623	1,836,000
Other Support	332,019	459,762	-	-	791,781	686,324
Capital Outlay	29,978	754,172	-	3,626,920	4,411,070	7,911,987
Debt Service	50,240	-	5,394,466	-	5,444,706	5,318,930
Total Expenditures	<u>32,684,871</u>	<u>21,532,647</u>	<u>5,394,466</u>	<u>3,626,920</u>	<u>63,238,904</u>	<u>66,467,029</u>
Excess (Deficiency) of Revenues						
Over Expenditures	48,528	(70,737)	(119,416)	(3,297,831)	(3,439,456)	(7,337,292)
Other Financing Sources (Uses)						
Operating Transfers In	-	484,384	190,000	-	674,384	508,784
Operating Transfers (Out)	(470,574)	(203,810)	-	-	(674,384)	(508,784)
Transfer of Indirect Cost	159,597	(159,597)	-	-	-	-
Proceeds from Certificates of Indebtedness	-	-	-	-	-	1,500,000
Total Other Financing Sources (Uses)	<u>(310,977)</u>	<u>120,977</u>	<u>190,000</u>	<u>-</u>	<u>-</u>	<u>1,500,000</u>
Excess (Deficiency) of Revenues Over						
Expenditures and Other Financing Sources (Uses)	<u>(262,449)</u>	<u>50,240</u>	<u>70,584</u>	<u>(3,297,831)</u>	<u>(3,439,456)</u>	<u>(5,837,292)</u>
Fund Balance (Deficit) at Beginning of Year	<u>(2,203,658)</u>	<u>1,117,019</u>	<u>3,599,671</u>	<u>6,944,523</u>	<u>9,457,555</u>	<u>15,294,847</u>
FUND BALANCE (DEFICIT) AT END OF YEAR	<u>\$ (2,466,107)</u>	<u>\$ 1,167,259</u>	<u>\$ 3,670,255</u>	<u>\$ 3,646,692</u>	<u>\$ 6,018,099</u>	<u>\$ 9,457,555</u>

The accompanying notes are an integral part of this financial statement.

CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND, CAPITAL PROJECTS FUND AND SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2000

	General Fund		Variance - Favorable (Unfavorable)
	Actual	Budget	
Revenues			
Local Sources:			
Ad Valorem Taxes	\$ 7,611,238	\$ 7,285,000	\$ 326,238
Sales & Use Taxes	-	-	-
Earnings on Investments	26,353	53,000	(26,647)
Other	95,618	104,200	(8,582)
State Sources:			
Unrestricted Grants-in-Aid	24,388,808	24,388,808	-
Restricted Grants-in-Aid	459,098	470,900	(11,802)
Other State Revenue	54,672	59,190	(4,518)
Federal Sources:			
Restricted Grants-in-Aid:			
Direct	97,612	90,190	7,422
Subgrants	-	-	-
Total Revenues	<u>32,733,399</u>	<u>32,451,288</u>	<u>282,111</u>
Expenditures			
Current:			
Instruction:			
Regular Programs	12,415,643	12,290,936	(124,707)
Special Programs	4,194,842	4,273,700	78,858
Support Services:			
Student Services	1,113,440	1,156,900	43,460
Instructional Staff	352,444	346,500	(5,944)
General Administration	6,747,827	6,904,485	156,658
School Administration	1,636,366	1,614,100	(22,266)
Business Services	456,858	469,325	12,467
Plant Services	3,588,570	3,385,000	(203,570)
Transportation	1,766,644	1,680,245	(86,399)
Other Support	332,019	333,850	1,831
Capital Outlay	29,978	69,700	39,722
Interest and Fiscal Charges	50,240	50,400	160
Total Expenditures	<u>32,684,871</u>	<u>32,575,141</u>	<u>(109,730)</u>
Excess (Deficiency) of Revenues Over Expenditures	48,528	(123,853)	172,381
Other Financing Sources (Uses)			
Operating Transfers In	-	-	-
Operating Transfers (Out)	(470,574)	(473,412)	2,838
Transfer of Indirect Cost	159,597	220,000	(60,403)
Loan Proceeds	-	-	-
Total Other Financing Sources (Uses)	<u>(310,977)</u>	<u>(253,412)</u>	<u>(57,565)</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(262,449)	(377,265)	114,816
Fund Balance (Deficit) - Beginning of Year	<u>(2,203,658)</u>	<u>(2,203,658)</u>	<u>-</u>
FUND BALANCE (DEFICIT) AT END OF YEAR	<u>\$ (2,466,107)</u>	<u>\$ (2,580,923)</u>	<u>\$ 114,816</u>

The accompanying notes are an integral part of this financial statement

<u>Capital Project Fund</u>		
<u>Actual</u>	<u>Budget</u>	<u>Variance - Favorable (Unfavorable)</u>
\$ -	\$ -	\$ -
-	-	-
329,089	332,500	(3,411)
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
<u>329,089</u>	<u>332,500</u>	<u>(3,411)</u>
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
3,626,920	3,575,000	(51,920)
-	-	-
<u>3,626,920</u>	<u>3,575,000</u>	<u>(51,920)</u>
(3,297,831)	(3,242,500)	(55,331)
-	-	-
-	-	-
-	-	-
-	-	-
<u>(3,297,831)</u>	<u>(3,242,500)</u>	<u>(55,331)</u>
6,944,523	6,944,523	-
<u>\$ 3,646,692</u>	<u>\$ 3,702,023</u>	<u>\$ (55,331)</u>

(Continued)

CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND, CAPITAL PROJECTS FUND AND SPECIAL REVENUE FUNDS (CONCLUDED)
FOR THE YEAR ENDED JUNE 30, 2000

	<u>Special Revenue Funds</u>		
	<u>Actual</u>	<u>Budget</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues			
Local Sources:			
Sales & Use Taxes	\$ 9,967,558	\$ 9,954,700	\$ 12,858
Earnings on Investments	56,304	60,000	(3,696)
Other	335,508	317,700	17,808
State Sources:			
Unrestricted Grants-in-Aid	-	-	-
Restricted Grants-in-Aid	694,504	694,952	(448)
Federal Sources:			
Restricted Grants-in-Aid:			
Direct	1,297,952	1,381,241	(83,289)
Subgrants	9,110,084	9,760,453	(650,369)
Total Revenues	<u>21,461,910</u>	<u>22,169,046</u>	<u>(707,136)</u>
Expenditures			
Current:			
Instruction:			
Regular Programs	6,287,448	6,898,471	611,023
Special Programs	7,267,009	6,884,889	(382,120)
Support Services:			
Student Services	4,557,625	4,514,211	(43,414)
Instructional Staff	1,333,354	1,530,522	197,168
General Administration	13,993	16,900	2,907
School Administration	331,284	343,300	12,016
Business Services	44,524	68,506	23,982
Plant Services	323,497	407,797	84,300
Transportation	159,979	193,136	33,157
Other Support	459,762	756,170	296,408
Capital Outlay	754,172	710,023	(44,149)
Total Expenditures	<u>21,532,647</u>	<u>22,323,925</u>	<u>791,278</u>
Excess (Deficiency) of Revenues Over Expenditures	(70,737)	(154,879)	84,142
Other Financing Sources (Uses)			
Transfer of Indirect Cost	(159,597)	(185,387)	25,790
Operating Transfers In	484,384	489,412	(5,028)
Operating Transfers (Out)	(203,810)	(206,000)	2,190
Total Other Financing Sources (Uses)	<u>120,977</u>	<u>98,025</u>	<u>(22,952)</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	50,240	(56,854)	107,094
Fund Balance at Beginning of Year	<u>1,117,019</u>	<u>1,117,019</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 1,167,259</u>	<u>\$ 1,060,165</u>	<u>\$ 107,094</u>

The accompanying notes are an integral part of this financial statement

**CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000**

Note 1 - Summary of Significant Accounting Policies

ORGANIZATION

The City of Monroe School Board (the School Board) is governed by a seven-member board, each of whom is elected from a single member district. It operates under the authority of the City of Monroe Charter of 1900, as amended by the Mayor-Council Home Rule Charter for the City of Monroe, adopted in August 1979. The School board is authorized to establish and operate public schools within the City of Monroe.

The school system is composed of a central office, 20 schools and 2 support facilities. The school system serves approximately 10,700 students. The School Board employs approximately 1,300 persons of which over 950 are directly involved in the instructional process. The remainder provide ancillary support such as general administration, repair and maintenance, bus transportation and food service. The regular school term normally begins during the latter half of August and runs until the end of May.

REPORTING ENTITY

*The School Board is the basic level of government which has oversight responsibility and control over all activities related to public school education in the city of Monroe. The School Board receives funding from Federal, state and local sources and must comply with the requirements of those funding source entities. However, the School Board is not included in any other governmental reporting entity as defined by Governmental Accounting Standards Board (GASB) Statement No. 14 *The Reporting Entity*, since the members of the School Board are elected by the public and have decision making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters.*

A. Fund Accounting

The accounts of the School Board are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenue and expenditures. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. Funds and account groups used in this report as compared to School Board terminology are as follows:

**CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000**

<u>This Report</u>	<u>School Board Terminology</u>
General Fund	General Fund Payroll Fund Insurance Funds
Special Revenue Funds	Title I, II and VI Grant Programs Special Education Grant Programs Vocational and Adult Education Funds Magnet Schools Assistance Program Funds School Food Service Funds Sales Tax Funds State Grant Funds Drug Free Funds Magnet School Funds Other Special Revenue Funds
Capital Projects Fund	Construction Fund
Debt Service Funds	Bond Redemption Fund Loan Repayment Fund
Fiduciary Fund Type - Agency	School Activity Funds
General Fixed Assets Account Group	Real Estate, Furniture, Fixtures and Equipment Accounts
General Long-Term Debt Account Group	Accumulated Compensated Absences, Bonds and Certificates of Indebtedness

Governmental resources are allocated to and accounted for in the individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds are grouped into the following generic fund types:

GOVERNMENTAL FUNDS

All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

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Accordingly, they are said to present a summary of sources and uses of available spendable resources during a period.

The School Board uses the following governmental fund types:

General Fund - The General Fund is the general operating fund of the School Board. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - These funds are used to account for the proceeds of specific revenue sources that are legally restricted for specific expenditure purposes, as follows:

Title I of the Elementary and Secondary Education Act (ESEA) is a Federally-financed program for educationally deprived school children residing in areas having high concentrations of children from low-income families. The Title I services are provided through various projects which are designed to meet the special needs of educationally deprived children. The activities supplement rather than replace state and locally mandated activities.

Title II (Eisenhower Professional Development) of ESEA is a Federal program which provides funds for math and science related programs.

Title VI of ESEA is a Federal program which provides funds to the School Board for equipment, books, supplies and other approved grant items.

Special Education Programs include Federally financed programs established under various public laws to provide free appropriate education for all identified handicapped children from preschool to 21 years of age in the least restrictive environment.

Vocational and Adult Education Funds are used to more fully develop the academic and occupational skills of students to enhance their ability to compete in a technologically advancing workplace.

School Food Services is used to account for the activities of school food services, breakfast and lunch revenues and expenditures incurred in providing services to pupils.

The Sales Tax Funds account for the collection and distribution of the sales tax levies for the School Board. All of the sales taxes collected under the pre-1994 tax is dedicated to supplement other revenues available to the School Board for the

**CITY OF MONROE SCHOOL BOARD
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payment of salaries of teachers and other School Board personnel. Of the tax passed by the voters in 1994, seventy percent of the tax collected is dedicated for similar purposes, with the balance dedicated for instructional purposes.

State Grant Funds are used to account for the proceeds of specific state grants supporting the Multisensory Arts Program, Textbooks, Classroom Based Technology, Model Early Childhood, Gifted/Talented and other specific programs.

Drug Free Schools Funds (Title IV of ESEA) are used for raising the drug abuse awareness of students and to provide an atmosphere for a drug-free learning environment.

The Other Special Revenue Funds account for various grants provided to the School Board by government, corporate and other grantors.

Debt Service Funds - The Debt Service Funds are used to accumulate resources used for the payment of long-term indebtedness principal, interest and related fiscal charges.

Capital Projects Fund - This fund is used to account for resources accumulated and expended for the acquisition or construction of general fixed assets.

FIDUCIARY FUNDS

Agency Funds - These funds are used to account for assets held by the School Board in a trustee capacity or as an agent for individuals, private organizations or other governmental units and/or other funds. The School Activity Fund accounts for all individual school activity funds. While these funds are under the supervision of the School Board, they belong to the individual schools or their student bodies and are not available for use by the School Board.

ACCOUNT GROUPS

Account groups are not "funds". Rather, they are concerned only with the measurement of financial position related to noncurrent assets (general fixed assets) and noncurrent liabilities (general long-term debt). They are not involved with measurement of results of operations. The School Board uses the following account groups:

General Fixed Assets Account Group - This account group is established to account for all fixed assets of the School Board except those reported in the City of Monroe, Louisiana, financial statements.

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General Long-Term Debt Account Group - This account group is established to account for all long-term obligations of the School Board, including compensated absences and bond obligations.

B. Total Columns on Combined Statements-Overview

Total columns on the Combined Statements-Overview are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis and do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental and agency funds are accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

D. Budgets

Annual appropriated budgets are adopted by the School Board on the General Fund, all Special Revenue Funds, the Capital Projects Fund and the Debt Service Fund. Budgets are prepared on the modified accrual basis of accounting. Budget amounts included in the accompanying general-purpose financial statements include the original adopted budget plus all amendments. The School Board follows these procedures in establishing the budgetary data reflected in these financial statements:

1. The Superintendent submits to the School Board a proposed consolidating General Fund operating budget for the succeeding year.
2. This proposed consolidating budget is adopted by the School Board no later than September 15 of that succeeding year, with the final amended budget for the current year being adopted in June.
3. A public hearing is scheduled by the School Board after allowing for at least ten days notice to the public at the time the proposed budget is initially submitted to the Board.

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4. Any revision requiring alteration of levels of expenditures or transfers between funds must be approved by the School Board.
5. Operating appropriations, to the extent not expended, lapse at year end.

E. Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting - under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation - is utilized in the governmental funds. Outstanding encumbrances are reversed at year end, resulting in liabilities and expenditures in the individual funds.

F. Investments

Investments, consisting of certificates of deposit, are stated at amortized cost in accordance with the provisions of GASB Statement No. 31.

G. Inventories

Inventory of the School Food Service Fund consists of food and supplies. The inventories are recorded as an expenditure as they are consumed. Inventory is valued at cost on the first-in, first-out (FIFO) method. Commodities provided to the School Board by the United States Department of Agriculture (USDA) through the state Department of Education are reflected as revenue when received and as an expenditure when consumed. Commodities are valued at amounts assigned by the USDA.

H. General Fixed Assets and Long-Term Liabilities

General Fixed Assets - General fixed assets have been acquired for general governmental purposes. Assets purchased are recorded as expenditures in the governmental funds and capitalized at cost in the General Fixed Assets Account Group (GFAAG). Donated assets are recorded at fair market value on the date of the donation. Where historical cost and other relevant data are unavailable, various equipment and structures on school premises have been stated at estimated historical cost as determined by applying construction cost indexes to estimated replacement cost as permitted by National Council on Governmental Accounting Statement 1, Paragraph 47.

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General fixed asset values determined by use of estimates is less than 20%. No depreciation has been provided on general fixed assets.

Long-Term Debt - Long-term debt is recognized as a liability of a governmental fund when due. For other long-term obligations, only that portion expected to be financed from available spendable resources is reported as a fund liability of a governmental fund. The remaining portion is reported in the General Long-Term Debt Account Group (GLTDAG). The School Board reports accumulated sick leave, outstanding bond indebtedness and other long-term debt obligations in the GLTDAG.

I. Fund Reserves

Fund reserves are portions of fund equity that are legally restricted for future use and are therefore not available for current operations. The fund balance reserved for inventories represents the cost of inventories on hand and is, therefore, not available for expenditures.

J. Compensated Absences

All employees receive ten sick days each year, with the unused portion being accumulated and carried forward. Upon retirement, employees with twenty years of service or more are paid for up to 25 days of accumulated sick leave. Only employees who work 12 calendar months per year earn vacation days. Effective July 1, 1994 the School Board revised its policy regarding payment of accumulated vacation days to allow for a maximum accumulation and payment of no more than 30 days with persons credited with days in excess of 30 as of the effective date being grandfathered in at their current accumulation up to 45 days.

K. Sales and Use Taxes

The voters of Ouachita Parish authorized the City of Monroe School Board and the Ouachita Parish School Board to jointly levy and collect a 1/2 of 1% sales and use tax. The net proceeds of the tax are to be allocated and prorated between the two school boards annually on the basis of average daily membership for the preceding school year. Eighty-eight percent of the sales and use tax revenues received by the School Board is to be used for the payment of the salaries for teachers, as defined by the Louisiana State Department of Education and the remaining twelve percent is to be used for the payment of salaries to designated personnel other than teachers. In March, 1994, the voters of the City of Monroe approved the levy of a 1/2 of 1% sales and use tax effective July 1, 1994. The net proceeds of the tax are to supplement salaries and benefits of certified teachers and other personnel and to

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FOR THE YEAR ENDED JUNE 30, 2000**

provide additional funds for instructional activities.

L. Comparative Total Data

Comparative total data for the prior year have been presented in the accompanying general-purpose financial statements in order to provide an understanding of changes in the School Board's financial position and operations. However, comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand. Various reclassifications have been made to the prior year financial statements to make them comparable to current year presentation.

Note 2 - Excess of Expenditures Over Appropriations and Deficit Fund Balance

Actual expenditures and other financing uses did not exceed budgeted expenditures and other financing uses on any fund with an adopted budget by more than 5%.

A deficit unreserved/undesignated fund balance of approximately \$2.5 million exists in the General Fund, and the School Food Services Special Revenue Fund has a deficit of approximately \$584,000. It is expected that these deficits will be cleared by future revenues and operational changes within the school system.

Note 3 - Cash and Certificates of Deposit

The School Board's cash and certificates of deposit consist of deposits with financial institutions. The certificates of deposit have varying maturities. The School Board's investment policy is governed by state statutes. Permissible investments include direct obligations of the U.S. Government and agency securities, certificates of deposit, and savings accounts or savings certificates of savings and loan associations and repurchase agreements. Collateral is required for demand deposits, certificates of deposit, savings certificates of savings and loan associations and repurchase agreements at 100% of all amounts not covered by deposit insurance. Obligations that may be pledged as collateral are obligations of the United States government and its agencies and obligations of the state and its subdivisions.

The following is a schedule of the School Board's cash and certificates of deposit at June 30, 2000. Differences between School Board and bank balances arise because of the net effect of deposits in transit and outstanding checks.

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	School Board Balance	Bank Balance	
Cash on Deposit	\$ 980,570	\$ 1,685,800	
Cash Equivalents			
Certificates of Deposit	5,675,000	5,675,000	
Other	46,802	46,802	
Certificates of Deposit	250,000	250,000	
 TOTAL	 \$ 6,952,372	 \$ 7,657,602	

The School Board's investments and deposits at June 30, 2000 are categorized below to give an indication of the level of risk assumed by the School Board at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the School Board or its safekeeping agent in the School Board's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the financial institution's trust department or safekeeping agent in the School Board's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the financial institution, or by its trust department or safekeeping agent but not in the School Board's name.

	Risk Category	
	1	2
Insured Deposits	\$ 300,000	\$ -
Uninsured Deposits:		
Collateralized	7,296,137	61,465
 Total Deposits	 \$ 7,596,137	 \$ 61,465

Investments of the School Board as of June 30, 2000 consisted entirely of a certificate of deposit with a carrying and market value of \$250,000 and is held by the School Board's agent in the School Board's name (Risk Category 1).

Note 4 - Ad Valorem Taxes

The City of Monroe bills and collects property taxes for the School Board using the assessed values determined by the tax assessor of Ouachita Parish. For the year ended June 30, 2000, taxes of 49.24 mills were levied on property with assessed valuations totaling \$293,331,133 and were dedicated as follows:

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FOR THE YEAR ENDED JUNE 30, 2000**

School Operations, Maintenance, Aid and Support	26.99 mills
Series 1994 Bonds Debt Service	12.75 mills
Series 1995 Bonds Debt Service	9.50 mills
	49.24 mills

The School Board's portion of the total taxes originally levied was \$14,443,625, of which \$12,320,503 was assessed on property owners and \$2,123,122 was assessed under Homestead Exemption. The School Board collected \$12,803,756 through June 30, 2000 of which only a nominal amount was for prior year levies. Approximately 77% of the homestead exemption is not appropriated by the state of Louisiana and therefore is not collected.

Property Tax Calendar

Millage Rates Adopted	July 20, 1999
Levy Date	November 3, 1999
Tax Bills Mailed	November 3, 1999
Total Taxes Are Due	December 31, 1999
Lien Date	January 1, 2000

Assessed values are established by the Ouachita Parish Tax Assessor each year on a uniform basis at the following ratios to fair market value.

10% Land	15% Machinery
10% Residential Improvements	15% Commercial Improvements
15% Industrial Improvements	25% Public Service Properties, Excluding Land

Note 5 - General Fixed Assets

A summary of changes in general fixed assets for the year ended June 30, 2000, follows:

	Balance July 1, 1999	Additions	Retirements	Balance June 30, 2000
Land	\$ 1,110,809	\$ 235,000	\$ 0	\$ 1,345,809
Buildings	16,046,299	3,391,920	0	19,438,219
Improvements Other Than Buildings	49,672,696	0	0	49,672,696
Equipment & Furniture	9,257,159	627,592	0	9,884,751
Construction in Progress	-	-	-	-
TOTAL	\$ 76,086,963	\$ 4,254,512	\$ 0	\$ 80,341,475

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FOR THE YEAR ENDED JUNE 30, 2000**

Note 6 - Significant Concentrations of Risk

Amounts due from governmental agencies represent substantially all of receivables from outside sources. The School Board derives a majority of its revenue from grants by governmental agencies and is, therefore, economically dependent upon these grants.

Note 7 - Pension and Retirement Plans

State-sponsored Plans:

Substantially all employees of the School Board are members of two statewide retirement systems which are multiple-employer, cost-sharing public employee retirement systems. In general, professional employees such as teachers, principals and lunchroom workers are members of the Louisiana Teachers' Retirement System (TRS); other employees, such as custodial personnel and bus operators, are members of the Louisiana School Employees' Retirement System (LSERS). Generally, all full-time employees are eligible to participate in the systems, with employee benefits vesting after 10 years of service.

Under the TRS Regular Plan, there are two retirement formulae: the 2% formula and the 2.5% formula. Participants may retire under the 2% formula at age 60 with at least 10 years of service credit or at any age with 20 years of service credit. Under the 2.5% formula, participants may retire at age 65 with 20 years of service credit; at age 55 with 25 years of service credit; or at any age with 30 years of service credit. The retirement benefit formula is based on the average salary of the 36 highest consecutive months times the applicable retirement percentage formula.

Under the TRS-Plan A, normal retirement is generally at any age with 30 or more years credited service, and at the age of 55 with at least 25 years of credited service and at age 60 with at least 10 years of credited service. The retirement benefit formula is generally 3% times the average salary of the 36 highest successive months.

Funding Policy: As provided by statute, the School Board's employer contributions to the TRS are funded by the State of Louisiana through expenditures by the School Board of state Minimum Foundation Program (MFP) funds and local ad valorem and sales taxes. State statutes also require covered employees to contribute a percentage of their salaries to the system. As further provided by statute, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the systems's prior fiscal year. The School Board's contributions to the TRS plans for the years ended June 30, 2000, 1999 and 1998 were \$4,425,424; \$4,923,325; and \$4,479,650, respectively, equal to the statutorily required contributions in each year.

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The TRS issues an annual, publicly-available financial report that includes financial statements and required supplementary information for the retirement system. The report may be obtained by writing the Teachers' Retirement System, P.O. Box 94123, Baton Rouge, Louisiana 70804-9123 or by calling (504) 925-6446.

Employees participating in the LSERS are eligible for normal retirement after 30 years of service at any age, 25 years of service at age 55, or 10 years of service at age 60. The maximum retirement allowance is computed at 2.5% times the highest 36 months of average salary, times the years of service plus a supplement of \$2.00 per month times the years of service.

Funding Policy: As provided by statute, the School Board's employer contributions to the LSERS are funded by the State of Louisiana through expenditures by the School Board of state MFP funds and local ad valorem and sales taxes. State statutes also require covered employees to contribute a percentage of their salaries to the system. As further provided by statute, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the systems's prior fiscal year. The School Board's contributions to the LSERS plans for the years ended June 30, 2000, 1999 and 1998 were nil; \$156,828; and \$152,825, respectively, equal to the statutorily required contributions in each year. Due to the plan's overfunded status, no contribution was required for the fiscal year ending June 30, 2000.

The LSERS issues an annual, publicly-available financial report that includes financial statements and required supplementary information for the retirement system. The report may be obtained by writing the Louisiana School Employees' Retirement System, P.O. Box 44516, Capitol Station, Baton Rouge, Louisiana 70804 or by calling (504) 925-6484.

School Board-Sponsored Plan

During fiscal 1996, the School Board adopted for its employees a deferred compensation plan created in accordance with Internal Revenue Code (IRC) Section 457. The plan, available to all School Board employees, permits them to defer a portion of their salaries until future years. The School Board does not make any contributions to the plan. The deferred compensation is not available to employees until termination, retirement or unforeseen emergency. The deferred compensation is available to employee's beneficiaries in case of death.

Under the terms of a plan established in accordance with the terms of the amended IRC Section 457, all compensation deferred under the plan, all property and rights acquired with those amounts and all income attributable to those amounts and rights are solely the

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FOR THE YEAR ENDED JUNE 30, 2000**

property and rights of the participants and their beneficiaries. As required by the amended IRC Section 457, the School Board has established custodial accounts with an unrelated third party administrator who holds in trust the assets and income of the plan. The trustee holds assets with a fair market value of \$175,157 at June 30, 2000.

The School Board implemented GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans* in fiscal 2000. Under this statement, governments who have no responsibility for the plans and are not formally considered the plan's trustee are not required to report the plan in their financial statements. Since the plan's income and assets are held in trust by an unrelated third party, the assets and related liability are no longer presented in the School Board's financial statements.

Note 8 - Other Employee and Postemployment Benefits

The School Board offers a cafeteria plan fringe benefit program under the Internal Revenue Code Section 125 for all employees who elect to participate. The Plan covers the employees' 50% share of the cost of group health coverage.

Group health and life insurance is provided to participating employees and retirees through the State Employee Group Benefits Program. In fiscal 2000, the School Board paid \$3,573,174 in connection with providing these benefits, including \$951,691 attributable to 379 retirees.

Note 9 - General Long-Term Debt

The following is a summary of changes in Long-Term Debt for the year ended June 30, 2000:

	Balance July 1, 1999	Increases	Decreases	Balance June 30, 2000
Bonds - 1994	\$ 28,105,000	\$ -	\$ 1,145,000	\$ 26,960,000
Bonds - 1995	24,495,000	-	880,000	23,615,000
Certificates of Indebtedness	1,500,000	-	120,000	1,380,000
Compensated Absences, Net	1,991,008	37,332	-	2,028,340
TOTAL	\$ 56,091,008	\$ 37,332	\$ 2,145,000	\$ 53,983,340

**CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2000**

Debt service requirements to maturity on all School Board General Obligation Bonds and certificates of indebtedness outstanding at June 30, 2000, including interest of \$25,658,459 at rates ranging from 4.6% to 9%, is as follows:

Year Ending June 30,	Total Principal & Interest Due
2001	\$ 5,353,893
2002	5,315,763
2003	5,297,932
2004	5,272,078
2005	5,275,347
2006-2010	26,822,856
2011-2015	24,275,590
TOTAL	\$ 77,613,459

Note 10 - Lease Commitments and Rental Expense

Operating Leases

The School Board leases various items of equipment and facilities under lease agreements which are subject to annual reappropriation clauses. Generally, as equipment leases expire, they are replaced with other leases.

Note 11 - Interfund Receivables and Payables

Individual balances due to/from other funds at June 30, 2000, are as follows:

	Due From Other Funds	Due to Other Funds
Governmental Funds:		
General Fund	\$ 4,652,943	\$ 4,093,592
Debt Service Funds	2,015,282	0

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FOR THE YEAR ENDED JUNE 30, 2000**

Special Revenue Funds:

ESEA Title I	482,538	1,645,247
ESEA Title II	0	48,745
Title VI	0	25,136
Special Education	14,168	512,892
Vocational/Adult Education	14,059	179,133
School Food Services	115,018	735,919
Sales Tax	2,041,141	1,281,188
State Grant	6,696	246,098
Drug Free	0	23,350
Magnet Schools	23,606	54,520
Other Grants	10,901	530,532
	<u> </u>	<u> </u>
TOTAL	\$ <u>9,376,352</u>	\$ <u>9,376,352</u>

Note 12 - Interfund Transfers

During fiscal 2000, the Sales Tax Funds transferred \$203,810 to the School Food Service Fund for sales taxes collected for the payment of salaries. The General Fund transferred \$372,310 to the School Food Service Fund which represented Minimum Foundation Program funds applicable to the School Food Service Fund. Further, the General Fund transferred \$38,784; \$19,752 and \$53,538 to the English Proficiency Fund, the Gifted and Talented Fund and the L.E.A.P. Remediation Fund, respectively, representing state grant funds supporting these programs which were receipted into the General Fund. Certain Special Revenue funds transferred to the General Fund reimbursements of indirect costs totaling \$159,597 according to rates approved by various grantor agencies.

Note 13 - Risk Financing Activities

The School Board manages its exposure under general liability, fleet, and errors and omissions through the purchase of commercial insurance. Qualifying employees and retirees may participate in the state group medical and life insurance plan. Risk of loss under workers' compensation statutes is self-insured by the School Board for up to \$200,000 per occurrence, with reinsurance coverage in force for losses in excess of that amount. The self-insured plan is administered by a third party, with the claims under the self-insured amount paid by the General Fund; certain Special Revenue funds reimburse the General Fund for payment of their claims. Consistent with the provisions of GASB Statement No. 10 *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, the School Board uses the General Fund to account for its risk

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MONROE, LOUISIANA
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FOR THE YEAR ENDED JUNE 30, 2000**

financing activities. During the year ended June 30, 2000, the School Board incurred and paid claims under the worker's compensation plan of approximately \$280,000 net of reimbursements. There were no material claims outstanding at June 30, 2000 or 1999.

Note 14 - Litigation and Contingencies

The School Board is a defendant in several lawsuits. Management and legal counsel for the School Board believe that the potential claims against the School Board, not covered by insurance, would not materially affect the School Board's financial position.

Note 15 – Deficit Reduction Plan

As previously discussed in Note 2, the General Fund and the School Food Service Fund have deficit fund balances of approximately \$2.5 million and \$600,000 respectively, at June 30, 2000. The General Fund reduced its current year operating deficit to approximately \$300,000 from its fiscal 1999 level of \$1.6 million. The Board and the Administration realize that reduction of the deficit fund balances is important for the ongoing fiscal health of the school district. A comprehensive plan has been developed and implemented in fiscal 2001 which provides for over \$600,000 in revenues over expenditures in the General Fund. This will be accomplished through reducing teaching staff by 31 positions and by budgeting MFP revenues using a student count approximately 66 students lower than the actual, certified count. The School Food Services Fund is expected to have a modest excess of revenues over expenditures due to lower food costs and revised labor budgets. The Administration and the Board have developed new reporting tools which are reviewed on a regular basis to allow for monitoring of the plan and school system's financial position.

**SUPPLEMENTARY SCHEDULES -
FINANCIAL SCHEDULES OF INDIVIDUAL FUNDS**

SPECIAL REVENUE FUNDS

- A. Title I of the Elementary and Secondary Education Act (ESEA) is a Federally- financed program for meeting the needs of educationally deprived school children residing in areas having high concentrations of children from low-income families. The activities supplement rather than replace state and locally mandated activities.
- B. Title II (Eisenhower Professional Development) of ESEA is a Federal program which provides funds for mathematics and science related programs.
- C. Title VI of ESEA is a program by which the Federal government provides funds to the School Board for equipment and other items approved under the grant contract.
- D. Special Education funds are Federally-financed programs providing free appropriate education for all identified handicapped children from 3 to 21 years of age in the least restrictive environment.
- E. Vocational and Adult Education funds are used to more fully develop the academic and occupational skills of students to enhance their ability to compete in a technologically advancing workplace.
- F. School Food Services is used to account for the Revenues and Expenditures incurred, in providing to pupils, breakfast and lunch services during the school year and in the Summer Feeding program.
- G. The Sales Tax Funds account for the collection and distribution of the sales tax levies for the School Board. All of the sales taxes collected under the pre-1994 tax is dedicated to supplement other revenues available to the School Board for the payment of salaries of teachers and other School Board personnel. Of the tax passed by the voters in 1994, seventy percent of the tax collected is dedicated for similar purposes, with the balance dedicated for instructional purposes.
- H. The State Grant Funds account for Louisiana Department of Education grants for programs such as the Model Early Childhood, the Multisensory Arts Program, Classroom Based Technology and Gifted/Talented.
- I. Drug Free Schools (Title IV of ESEA) funds are used for raising the awareness of students to the dangers of drug abuse and to promote an atmosphere for a drug-free learning environment.
- J. Other Special Revenue Funds account for the revenues and expenditures associated with grants provided to the School Board by other governmental and nongovernmental entities, including the Corporation for National Community Service, the Foundation for the Mid South, and the United States and Louisiana Departments of Education.

CITY OF MONROE SCHOOL BOARD
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COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS
JUNE 30, 2000
WITH COMPARATIVE TOTALS FOR JUNE 30, 1999

	Elementary and Secondary			Special Education Funds	Vocational & Adult Ed Funds
	Education Act				
	Title I Funds	Title II Funds	Title VI Funds		
ASSETS					
Cash	\$ -	\$ -	\$ -	\$ 32,947	\$ 15,810
Investments	-	-	-	-	-
Accounts Receivable	-	-	-	-	-
Due From Other Governments:					
Due From Federal Sources	2,214,530	78,922	43,914	607,987	276,236
Due From State Sources	-	-	-	-	-
Due From Local Sources	-	-	-	-	-
Due From Other Funds	482,538	-	-	14,168	14,059
Inventory	-	-	-	-	-
Prepaid Expenditures	-	-	-	654	-
TOTAL ASSETS	<u>\$ 2,697,068</u>	<u>\$ 78,922</u>	<u>\$ 43,914</u>	<u>\$ 655,756</u>	<u>\$ 306,105</u>
LIABILITIES AND FUND EQUITY					
Liabilities					
Accounts Payable	\$ 51,939	\$ 14,575	\$ 10,907	\$ 30,449	\$ 70,412
Deferred Revenues	-	-	-	-	-
Salaries and Wages Payable	999,882	15,602	7,871	112,415	56,560
Due to Other Funds	1,645,247	48,745	25,136	512,892	179,133
Total Liabilities	<u>2,697,068</u>	<u>78,922</u>	<u>43,914</u>	<u>655,756</u>	<u>306,105</u>
Fund Equity					
Fund Balances:					
Reserved for Inventory and Prepays	-	-	-	-	-
Reserved for Salaries and Benefits	-	-	-	-	-
Unreserved-Undesignated	-	-	-	-	-
Total Fund Balances (Deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 2,697,068</u>	<u>\$ 78,922</u>	<u>\$ 43,914</u>	<u>\$ 655,756</u>	<u>\$ 306,105</u>

School Food Services Funds	Sales Tax Funds	State Grant Funds	Drug-Free Funds	Magnet Schools	Other Special Revenue Funds	Total	
						2000	1999
\$ 75,694	\$ 312,437	\$ 134,216	\$ -	\$ 77,471	33,721	\$ 682,296	\$ 2,639,611
-	-	-	-	-	-	-	-
-	856,640	-	-	-	-	856,640	810,597
315,713	-	-	36,513	111,036	988,932	4,673,783	2,841,337
-	-	325,443	-	-	-	325,443	653,729
-	-	-	-	-	-	-	4,509
115,018	2,041,141	6,696	-	23,606	10,901	2,708,127	449,875
95,750	-	-	-	-	-	95,750	80,282
-	-	-	-	-	-	654	-
<u>\$ 602,175</u>	<u>\$ 3,210,218</u>	<u>\$ 466,355</u>	<u>\$ 36,513</u>	<u>\$ 212,113</u>	<u>1,033,554</u>	<u>\$ 9,342,693</u>	<u>\$ 7,479,940</u>
\$ 65,126	\$ 143,903	\$ 21,067	\$ 1,266	\$ -	202,466	\$ 612,110	\$ 758,822
2,126	-	-	-	-	-	2,126	-
383,341	57,743	197,690	11,897	157,593	277,844	2,278,438	2,232,013
735,919	1,281,188	246,098	23,350	54,520	530,532	5,282,760	3,372,086
<u>1,186,512</u>	<u>1,482,834</u>	<u>464,855</u>	<u>36,513</u>	<u>212,113</u>	<u>1,010,842</u>	<u>8,175,434</u>	<u>6,362,921</u>
-	-	-	-	-	-	-	80,282
-	1,727,384	-	-	-	-	1,727,384	1,492,471
(584,337)	-	1,500	-	-	22,712	(560,125)	(455,734)
<u>(584,337)</u>	<u>1,727,384</u>	<u>1,500</u>	<u>-</u>	<u>-</u>	<u>22,712</u>	<u>1,167,259</u>	<u>1,117,019</u>
<u>\$ 602,175</u>	<u>\$ 3,210,218</u>	<u>\$ 466,355</u>	<u>\$ 36,513</u>	<u>\$ 212,113</u>	<u>1,033,554</u>	<u>\$ 9,342,693</u>	<u>\$ 7,479,940</u>

CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2000
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1999

	Elementary and Secondary			Special Education Funds	Vocational & Adult Ed Funds
	Education Act				
	Title I Funds	Title II Funds	Title VI Funds		
Revenues					
Local Sources:					
Sales & Use Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	-	-
Other	-	-	-	-	-
State Sources:					
Restricted Grants-in-Aid	-	-	-	-	8,158
Federal Sources:					
Restricted Grants-in-Aid	3,304,082	78,922	71,820	748,427	345,363
Total Revenues	<u>3,304,082</u>	<u>78,922</u>	<u>71,820</u>	<u>748,427</u>	<u>353,521</u>
Expenditures					
Current:					
Instructional:					
Regular Programs	-	-	-	-	134,014
Special Programs	2,196,551	-	-	408,449	97,814
Support Services:					
Student Services	-	-	-	-	-
Instructional Staff	884,481	76,914	67,637	-	-
General Administration	-	-	-	-	-
School Administration	-	-	-	-	-
Business Services	-	-	-	10,250	-
Plant Services	52,758	-	-	1,843	-
Transportation	3,475	-	-	-	-
Other Support Services	-	-	-	223,531	-
Capital Outlay	89,358	-	3,194	93,189	120,765
Total Expenditures	<u>3,226,623</u>	<u>76,914</u>	<u>70,831</u>	<u>737,262</u>	<u>352,593</u>
Excess (Deficiency) of Revenues					
Over Expenditures	77,459	2,008	989	11,165	928
Other Financing Sources (Uses)					
Operating Transfers In	-	-	-	-	-
Operating Transfers (Out)	-	-	-	-	-
Transfer of Indirect Cost	(77,459)	(2,008)	(989)	(11,165)	(928)
Total Other Financing Sources (Uses)	<u>(77,459)</u>	<u>(2,008)</u>	<u>(989)</u>	<u>(11,165)</u>	<u>(928)</u>
Excess (Deficiency) of Revenues Over					
Expenditures and Other Financing Sources (Uses)	-	-	-	-	-
Fund Balance (Deficit) at Beginning of Year	-	-	-	-	-
FUND BALANCE (DEFICIT) AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

School Food Services Funds	Sales Tax Funds	State Grant Funds	Drug-Free Funds	Magnet Schools	Other Special Revenue Funds	Total	
						2000	1999
\$ -	\$ 9,967,558	\$ -	\$ -	\$ -	\$ -	\$ 9,967,558	\$ 9,529,949
-	56,304	-	-	-	-	56,304	133,725
287,747	-	-	-	-	47,761	335,508	344,354
-	-	583,949	-	-	102,397	694,504	1,070,546
3,308,920	-	-	50,062	1,297,952	1,202,488	10,408,036	9,840,651
3,596,667	10,023,862	583,949	50,062	1,297,952	1,352,646	21,461,910	20,919,225
-	6,127,164	26,270	-	-	-	6,287,448	7,426,366
-	2,070,547	600,556	-	1,260,631	632,461	7,267,009	4,645,380
4,147,075	361,580	-	48,970	-	-	4,557,625	4,712,488
-	54,464	-	-	-	249,858	1,333,354	1,740,118
-	13,993	-	-	-	-	13,993	10,444
-	331,284	-	-	-	-	331,284	339,376
-	34,274	-	-	-	-	44,524	34,156
-	267,896	1,000	-	-	-	323,497	340,562
-	136,524	19,980	-	-	-	159,979	128,087
-	93,284	-	-	-	142,947	459,762	319,485
7,733	94,129	47,267	-	-	298,537	754,172	1,203,260
4,154,808	9,585,139	695,073	48,970	1,260,631	1,323,803	21,532,647	20,899,722
(558,141)	438,723	(111,124)	1,092	37,321	28,843	(70,737)	19,503
372,310	-	112,074	-	-	-	484,384	474,754
-	(203,810)	-	-	-	-	(203,810)	(203,782)
-	-	-	(1,092)	(37,321)	(28,635)	(159,597)	(167,148)
372,310	(203,810)	112,074	(1,092)	(37,321)	(28,635)	120,977	103,824
(185,831)	234,913	950	-	-	208	50,240	123,327
(398,506)	1,492,471	550	-	-	22,504	1,117,019	993,692
\$ (584,337)	\$ 1,727,384	\$ 1,500	\$ -	\$ -	\$ 22,712	\$ 1,167,259	\$ 1,117,019

**CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
COMBINING SCHEDULES OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCES
TITLE I SPECIAL REVENUE FUNDS
FOR THE YEAR ENDING JUNE 30, 2000**

	<u>Title I (307)</u>	<u>Title I C/O (302)</u>	<u>TOTAL</u>
Revenues			
Federal Sources:			
Restricted Grants-in- Aid Subgrants	\$ 2,812,312	\$ 491,770	\$ 3,304,082
Total Revenue	<u>2,812,312</u>	<u>491,770</u>	<u>3,304,082</u>
 Expenditures			
Current:			
Instructional			
Regular Programs	-	-	-
Special Programs	1,719,798	476,753	2,196,551
Support Services:			
Student Services	-	-	-
Instructional Staff	884,481	-	884,481
Transportation	3,475	-	3,475
Plant Services	52,758	-	52,758
Capital Outlay	89,358	-	89,358
Total Expenditures	<u>2,749,870</u>	<u>476,753</u>	<u>3,226,623</u>
 Excess (Deficiency) of			
Revenues Over Expenditures	62,442	15,017	77,459
 Other Financing Sources/(Uses)			
Operating Transfers In	-	-	-
Transfer of Indirect Cost	(62,442)	(15,017)	(77,459)
Total Other Financing Sources/(Uses)	<u>(62,442)</u>	<u>(15,017)</u>	<u>(77,459)</u>
 Excess (Deficiency) of			
Revenues Over Expenditures			
and Other Financing			
Sources/(Uses)	-	-	-
 Fund Balance at			
Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
 FUND BALANCE AT			
END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
TITLE II SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2000**

	<u>Title II (326)</u>	<u>Title II C/O (325)</u>	<u>TOTAL</u>
Revenues			
Federal Sources:			
Restricted Grants-in- Aid Subgrants	\$ 63,136	\$ 15,786	\$ 78,922
Total Revenue	<u>63,136</u>	<u>15,786</u>	<u>78,922</u>
Expenditures			
Support Services:			
Instructional Staff	61,610	15,304	76,914
Total Expenditures	<u>61,610</u>	<u>15,304</u>	<u>76,914</u>
Excess (Deficiency) of Revenues Over Expenditures	1,526	482	2,008
Other Financing Sources and (Uses)			
Operating Transfers In	-	-	
Transfer of Indirect Cost	(1,526)	(482)	(2,008)
Total Other Financing Sources/(Uses)	<u>(1,526)</u>	<u>(482)</u>	<u>(2,008)</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources/(Uses)	-	-	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
TITLE VI-ESEA SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2000**

	<u>TITLE VI</u> <u>(316)</u>	<u>TITLE VI C/O</u> <u>(315)</u>	<u>TOTAL</u>
Revenues			
Federal Sources:			
Restricted Grants-in			
Aid Subgrants	\$ 68,338	\$ 3,482	\$ 71,820
Total Revenue	<u>68,338</u>	<u>3,482</u>	<u>71,820</u>
Expenditures			
Instructional			
Regular Programs	-	-	-
Support Services:			
Instructional Staff	64,261	3,376	67,637
Capital Outlay	<u>3,194</u>	<u>-</u>	<u>3,194</u>
Total Expenditures	<u>67,455</u>	<u>3,376</u>	<u>70,831</u>
Excess of			
Revenues Over Expenditures	883	106	989
Other Financing Uses			
Transfer of Indirect Cost	<u>(883)</u>	<u>(106)</u>	<u>(989)</u>
Total Other Financing Uses	<u>(883)</u>	<u>(106)</u>	<u>(989)</u>
Excess of Revenues Over			
 Expenditures and Other			
 Financing Uses			
	-	-	-
Fund Balance at			
Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF MONROE SCHOOL BOARD
 MONROE, LOUISIANA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 SPECIAL EDUCATION SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2000

	SCS-65 (214)	99-PF-65 (218)	99-ST-65 (219)	SESI-65 (225)	CITS-65 (226)	ESVP-65 (227)	S-65 (228)	TOTAL
Revenues								
Federal Sources:								
Restricted Grants-in-Aid Subgrants	\$ -	\$ 48,148	\$ 602,053	\$ 14,468	\$ 45,296	\$ 24,695	\$ 13,767	\$ 748,427
State Sources:								
Restricted Grants-in-Aid Subgrants	-	-	-	-	-	-	-	-
Total Revenues	-	48,148	602,053	14,468	45,296	24,695	13,767	748,427
Expenditures								
Current:								
Instructional:								
Special Programs	-	42,111	272,171	12,625	43,080	24,695	13,767	408,449
Support Services:								
Instructional Staff	-	-	-	-	-	-	-	-
Business Services	-	-	10,250	-	-	-	-	10,250
Plant Services	-	-	-	1,843	-	-	-	1,843
General Administration	-	-	-	-	-	-	-	-
Other Support Services	-	-	223,531	-	-	-	-	223,531
Capital Outlay	-	5,362	87,827	-	-	-	-	93,189
Total Expenditures	-	47,473	593,779	14,468	43,080	24,695	13,767	737,262
Excess (Deficiency) of Revenues Over Expenditures	-	675	8,274	-	2,216	-	-	11,165
Other Financing Sources/(Uses)								
Transfer of Indirect Cost	-	(675)	(8,274)	-	(2,216)	-	-	(11,165)
Total Other Financing Sources/(Uses)	-	(675)	(8,274)	-	(2,216)	-	-	(11,165)
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources/(Uses)	-	-	-	-	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-	-	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA

COMBINING SCHEDULES OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCES
VOCATIONAL/ADULT ED SPECIAL REVENUE FUNDS
FOR THE YEAR ENDING JUNE 30, 2000

	JTPA (201)	VOCATIONAL (202)	ADULT EDUCATION (203)	J.A.G. (204)	ADULT EDUCATION/O (206)	ADULT EDUCATION (207)	TOTAL
Revenues							
State Sources:							
Restricted Grants-in							
Aid Subgrants	\$ -	\$ -	\$ 8,158	\$ -	\$ -	\$ -	\$ 8,158
Federal Sources:							
Restricted Grants-in							
Aid Subgrants	50,000	188,567	58,982	47,814	-	-	345,363
Total Revenue	50,000	188,567	67,140	47,814	-	-	353,521
Expenditures							
Instructional:							
Regular Programs	-	76,022	57,992	-	-	-	134,014
Special Programs	50,000	-	-	47,814	-	-	97,814
Support Services:							
Instructional Staff	-	-	-	-	-	-	-
Business Services	-	-	-	-	-	-	-
Plant Services	-	-	-	-	-	-	-
Capital Outlay	-	112,545	8,220	-	-	-	120,765
Total Expenditures	50,000	188,567	66,212	47,814	-	-	352,593
Excess of Revenues Over Expenditures	-	-	928	-	-	-	928
Other Financing Uses							
Transfer of Indirect Cost	-	-	(928)	-	-	-	(928)
Total Other Financing Uses	-	-	(928)	-	-	-	(928)
Excess of Revenues Over Expenditures and Other Financing Uses	-	-	-	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCES
SCHOOL FOOD SERVICES SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2000**

	<u>SCHOOL FOOD SVC. (400)</u>	<u>SUMMER FEEDING (401)</u>	<u>TOTAL</u>
Revenues			
Local Sources:			
School Food Service Payment for Meals	\$ 287,747	\$ -	\$ 287,747
Federal Sources:			
Restricted Grants-in Aid Subgrants	3,199,231	109,689	3,308,920
Total Revenues	<u>3,486,978</u>	<u>109,689</u>	<u>3,596,667</u>
Expenditures			
Support Services:			
Student Food Service	4,037,753	109,322	4,147,075
Capital Outlay	7,366	367	7,733
Total Expenditures	<u>4,045,119</u>	<u>109,689</u>	<u>4,154,808</u>
Excess (Deficiency) of Revenues Over Expenditures	(558,141)	-	(558,141)
Other Financing Sources/(Uses)			
Operating Transfers In	372,310	-	372,310
Operating Transfers (Out)	-	-	-
Total Other Financing Sources/(Uses)	<u>372,310</u>	<u>-</u>	<u>372,310</u>
Excess/(Deficiency) of Revenues Over Expenditures and Other Financing Sources/(Uses)	(185,831)	-	(185,831)
Fund Balance (Deficit) at Beginning of Year	<u>(409,324)</u>	<u>10,818</u>	<u>(398,506)</u>
FUND BALANCE (DEFICIT) AT END OF YEAR	<u>\$ (595,155)</u>	<u>\$ 10,818</u>	<u>\$ (584,337)</u>

**CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
SALES TAX SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2000**

	<u>12%</u> <u>(110)</u>	<u>88%</u> <u>(111)</u>	<u>NEW</u> <u>(112)</u>	<u>TOTAL</u>
Revenues				
Local Sources:				
Sales and Use Taxes	\$ 480,670	\$ 3,524,912	\$ 5,961,976	\$ 9,967,558
Interest Income	4,792	33,338	18,174	56,304
Total	<u>485,462</u>	<u>3,558,250</u>	<u>5,980,150</u>	<u>10,023,862</u>
Expenditures				
Current:				
Instructional:				
Regular Programs		2,449,026	3,678,138	6,127,164
Special Programs	88,499	740,080	1,241,968	2,070,547
Support Services:				
Student Services	8,894	179,578	173,108	361,580
Instructional Staff	3,097	35,444	15,923	54,464
General Administration	4,060	-	9,933	13,993
School Administration	35,301	139,587	156,396	331,284
Business Services	9,552	-	24,722	34,274
Plant Services	129,914	1,300	136,682	267,896
Transportation	74,955	-	61,569	136,524
Other Support Services	4,267	5,325	83,692	93,284
Capital Outlay	<u>-</u>	<u>-</u>	<u>94,129</u>	<u>94,129</u>
Total	<u>358,539</u>	<u>3,550,340</u>	<u>5,676,260</u>	<u>9,585,139</u>
Excess (Deficiency) of Revenues				
Over Expenditures	126,923	7,910	303,890	438,723
Other Financing Sources/(Uses)				
Operating Transfers (Out)	<u>(121,810)</u>	<u>-</u>	<u>(82,000)</u>	<u>(203,810)</u>
Total Other Financing Sources/(Uses)	<u>(121,810)</u>	<u>-</u>	<u>(82,000)</u>	<u>(203,810)</u>
Excess (Deficiency) of Revenues				
Over Expenditures and				
Other Financing Sources/(Uses)	5,113	7,910	221,890	234,913
Fund Balance at				
Beginning of Year	<u>72,905</u>	<u>296,118</u>	<u>1,123,448</u>	<u>1,492,471</u>
FUND BALANCE AT				
END OF YEAR	<u>\$ 78,018</u>	<u>\$ 304,028</u>	<u>\$ 1,345,338</u>	<u>\$ 1,727,384</u>

CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
STATE GRANT SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2000

	ENGLISH PROFICIENCY (120)	GIFTED & TALENTED (121)	L.E.A.P. REMEDATION (122)	EARLY CHILDHOOD (151)	MULTI-ARTS (152)	BOTANICAL LAB (152)	TEXTBOOKS (154)
Revenues							
State Funded							
Restricted Grants-in Aid	\$ -	\$ -	\$ -	\$ 111,774	\$ 3,482	\$ 33,392	\$ 13,135
Total Revenues	-	-	-	111,774	3,482	33,392	13,135
Expenditures							
Instructional:							
Regular Programs	-	-	-	-	-	-	13,135
Special Programs	38,784	19,752	52,538	110,774	3,482	18,296	-
Support Services:							
Plant Services	-	-	1,000	-	-	-	-
Transportation	-	-	-	-	-	-	-
General Administration	-	-	-	-	-	-	-
Capital Outlay	-	-	-	1,000	-	15,096	-
Total Expenditures	38,784	19,752	53,538	111,774	3,482	33,392	13,135
(Deficiency) of Revenues Over Expenditures	(38,784)	(19,752)	(53,538)	-	-	-	-
Other Financing Sources							
Operating Transfers In	38,784	19,752	53,538	-	-	-	-
Total Other Financing Sources	38,784	19,752	53,538	-	-	-	-
Excess/(Deficiency) of Revenues Over Expenditures and Other Financing Sources/(Uses)	-	-	-	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONTINUED)
STATE GRANT SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2000

	TEXTBOOKS (154)	SUPPLEMENTAL INSTRUCTION (156)	MULTI ARTS/CHOIR (157)	LEARN AND SERVE (161)	VERY SPECIAL ARTS (171)	K-3 READING INITIATIVE (172)
Revenues						
State Funded						
Restricted Grants-in Aid	\$ 13,135	\$ 81,514	\$ 4,483	\$ 16,000	\$ 5,000	\$ 243,922
Total Revenues	13,135	81,514	4,483	16,000	5,000	243,922
Expenditures						
Instructional:						
Regular Programs	13,135	-	-	-	-	-
Special Programs	-	64,034	4,483	13,500	5,000	243,922
Support Services:						
Plant Services	-	-	-	-	-	-
Transportation	-	17,480	-	2,500	-	-
General Administration	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	13,135	81,514	4,483	16,000	5,000	243,922
(Deficiency) of Revenues Over Expenditures	-	-	-	-	-	-
Other Financing Sources						
Operating Transfers In	-	-	-	-	-	-
Total Other Financing Sources	-	-	-	-	-	-
Excess/(Deficiency) of Revenues Over Expenditures and Other Financing Sources	-	-	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

CITY OF MONROE SCHOOL BOARD
 MONROE, LOUISIANA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES (CONCLUDED)
 STATE GRANT SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2000

	REGIONAL CLASSROOMS (176)	ART - GUGGENHEIM (178)	ACCELERATED SCHOOLS (179)	TOTAL
Revenues				
State Funded				
Restricted Grants-in Aid	\$ 31,171	\$ 25,152	\$ 1,789	\$ 583,949
Total Revenues	31,171	25,152	1,789	583,949
Expenditures				
Instructional:				
Regular Programs	-	-	-	26,270
Special Programs	-	24,202	1,789	600,556
Support Services:				
Plant Services	-	-	-	1,000
Transportation	-	-	-	19,980
General Administration	-	-	-	-
Capital Outlay	31,171	-	-	47,267
Total Expenditures	31,171	24,202	1,789	695,073
(Deficiency) of Revenues Over Expenditures	-	950	-	(111,124)
Other Financing Sources				
Operating Transfers In	-	-	-	112,074
Total Other Financing Sources	-	-	-	112,074
Excess/(Deficiency) of Revenues Over Expenditures and Other Financing Sources	-	950	-	950
Fund Balance at Beginning of Year	-	550	-	550
FUND BALANCE AT END OF YEAR	-	\$ 1,500	-	\$ 1,500

**CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
DRUG FREE SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2000**

	Drug Free (330)	Drug Free Carryover (331)	Total
	<u> </u>	<u> </u>	<u> </u>
Revenue			
Federal Restricted Grants-in-Aid Subgrants	\$ 50,062	\$ -	\$ 50,062
Total Revenue	<u>50,062</u>	<u>-</u>	<u>50,062</u>
 Expenditures			
Support Services:			
Student Services	48,970	-	48,970
Total Expenditures	<u>48,970</u>	<u>-</u>	<u>48,970</u>
 Excess of Revenues Over Expenditures	 1,092	 -	 1,092
 Other Financing Sources/(Uses)			
Transfer of Indirect Cost	(1,092)	-	(1,092)
Total Expenditures	<u>(1,092)</u>	<u>-</u>	<u>(1,092)</u>
 Excess of Revenues Over Expenditures After Other Financing Uses	 -	 -	 -
 Fund Balance at Beginning of Year	 -	 -	 -
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
 FUND BALANCE AT END OF YEAR	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ -</u>

**CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCES
MAGNET SCHOOL FUNDS
FOR THE YEAR ENDED JUNE 30, 2000**

	MAGNET SCHOOL GRANT (450)	MAGNET SCHOOL CARRYOVER (451)	MAGNET SCHOOL SUPPLEMENTAL GRANT (452)	TOTAL
Revenues				
Local Sources:				
Grant from Private Foundation	\$ -	\$ -	\$ -	\$ -
Other Local Revenues	-	-	-	-
Federal Sources:				
Restricted Grants-in-Aid Subgrants	1,216,054	46,609	35,289	1,297,952
State Sources:				
Restricted Grants-in-Aid Subgrants	-	-	-	-
Total Revenues	<u>1,216,054</u>	<u>46,609</u>	<u>35,289</u>	<u>1,297,952</u>
Expenditures				
Current:				
Instructional:				
Special Programs	1,179,776	46,609	34,246	1,260,631
Support Services:				
Instructional Staff	-	-	-	-
Other Support	-	-	-	-
Capital Outlay				
Total Expenditures	<u>1,179,776</u>	<u>46,609</u>	<u>34,246</u>	<u>1,260,631</u>
Excess (Deficiency) of Revenues Over Expenditures	36,278	-	1,043	37,321
Other Financing Sources/(Uses)				
Transfer of Indirect Cost	(36,278)	-	(1,043)	(37,321)
Total Other Financing Sources/(Uses)	<u>(36,278)</u>	<u>-</u>	<u>(1,043)</u>	<u>(37,321)</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources/(Uses)	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF MONROE SCHOOL BOARD
 MONROE, LOUISIANA
 COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 OTHER SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2000

	MID-SOUTH (131)	W.A.P. (133)	GRAD SCHOOL (134)	MIS SERVICES (135)	CLASSROOM		CLASS SIZE REDUCTION (332)	STARTING POINT (340)	CHALLENGE GRANT (341)	TECHNOLOGY LITERACY		TOTAL
					BASED TECHNOLOGY (174)	MINI GRANTS (175)				CHALLENGE FUND (342)	SCHOOL TO CAREER (341)	
Revenues												
Local Sources:												
Grant from Private Foundation	\$ 46,041	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,041
Other Local Revenues	-	-	1,720	-	-	-	-	-	-	-	-	1,720
Federal Sources:												
Restricted Grants-in-Aid Subgrants	-	-	-	-	191,778	4,704	437,858	98,578	95,605	338,982	34,983	1,202,488
State Sources:												
Restricted Grants-in-Aid Subgrants	-	-	-	-	102,397	-	-	-	-	-	-	102,397
Total Revenues	<u>46,041</u>	<u>-</u>	<u>1,720</u>	<u>-</u>	<u>294,175</u>	<u>4,704</u>	<u>437,858</u>	<u>98,578</u>	<u>95,605</u>	<u>338,982</u>	<u>34,983</u>	<u>1,352,646</u>
Expenditures												
Current:												
Instructional:												
Special Programs	-	-	1,874	-	27,463	3,903	424,576	92,364	61,978	-	20,303	632,461
Support Services:												
Instructional Staff	-	-	-	-	-	-	-	-	-	249,858	-	249,858
Other Support	39,751	-	-	3,728	98,919	-	-	550	-	-	-	142,948
Capital Outlay	1,101	-	-	1,100	164,315	801	-	2,500	31,372	82,668	14,680	298,537
Total Expenditures	<u>40,852</u>	<u>-</u>	<u>1,874</u>	<u>4,828</u>	<u>290,697</u>	<u>4,704</u>	<u>424,576</u>	<u>95,414</u>	<u>93,350</u>	<u>332,526</u>	<u>34,983</u>	<u>1,323,804</u>
Excess (Deficiency) of Revenues Over Expenditures	5,189	-	(154)	(4,828)	3,478	-	13,282	3,164	2,255	6,456	-	28,842
Other Financing Sources/(Uses)												
Transfer of Indirect Cost	-	-	-	-	(3,478)	-	(13,282)	(3,164)	(2,255)	(6,456)	-	(28,635)
Total Other Financing Sources/(Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,478)</u>	<u>-</u>	<u>(13,282)</u>	<u>(3,164)</u>	<u>(2,255)</u>	<u>(6,456)</u>	<u>-</u>	<u>(28,635)</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources/(Uses)	5,189	-	(154)	(4,828)	-	-	-	-	-	-	-	207
Fund Balance at Beginning of Year	1,756	-	154	20,595	-	-	-	-	-	-	-	22,505
FUND BALANCE AT END OF YEAR	<u>\$ 6,945</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,767</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,712</u>

DEBT SERVICE FUNDS

The Debt Service Funds are used to account for the accumulation of resources for repayment of Series 1994 and 1995 School Improvement Bonds and Series 1998 Certificates of Indebtedness.

CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
COMBINING BALANCE SHEET
ALL DEBT SERVICE FUNDS
June 30, 2000

	Bond Redemption (610)	Bus Purchase (106)	Total
	<u> </u>	<u> </u>	<u> </u>
Assets			
Cash and Cash Equivalents	\$ 1,618,916	\$ 748	\$ 1,619,664
Accounts Receivable	35,309	-	35,309
Due from Other Funds	2,015,282	-	2,015,282
	<u> </u>	<u> </u>	<u> </u>
Total Assets	\$ 3,669,507	\$ 748	\$ 3,670,255
	<u> </u>	<u> </u>	<u> </u>
 Liabilities and Fund Equity			
Liabilities	\$ -	\$ -	\$ -
 Fund Equity			
Fund Balance - Reserved For Debt Service	3,669,507	748	3,670,255
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Fund Equity	\$ 3,669,507	\$ 748	\$ 3,670,255
	<u> </u>	<u> </u>	<u> </u>

CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCES
DEBT SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2000

	BOND REDEMPTION (610)	BUS PURCHASE (106)	TOTAL
	<hr/>	<hr/>	<hr/>
Revenues			
Local Sources:			
Ad Valorem Taxes	\$ 5,192,518	\$ -	\$ 5,192,518
Interest on Investments	82,532	-	82,532
Total Revenues	<hr/> 5,275,050	<hr/> -	<hr/> 5,275,050
 Expenditures			
Debt Service:			
Principal	2,025,000	120,000	2,145,000
Interest and Fiscal Charges	3,180,214	69,252	3,249,466
Total Expenditures	<hr/> 5,205,214	<hr/> 189,252	<hr/> 5,394,466
 Excess (Deficiency) of Revenues			
Over Expenditures	69,836	(189,252)	(119,416)
 Other Financing Sources/(Uses)			
Operating Transfers In	-	190,000	190,000
Operating Transfers (Out)	-	-	-
Total Other Financing Sources/(Uses)	<hr/> -	<hr/> 190,000	<hr/> 190,000
 Excess of Revenues			
Over Expenditures and			
Other Financing Sources/(Uses)	69,836	748	70,584
 Fund Balance at Beginning of Year	<hr/> 3,599,671	<hr/> -	<hr/> 3,599,671
 FUND BALANCE AT END OF YEAR	<hr/> <u>\$ 3,669,507</u>	<hr/> <u>\$ 748</u>	<hr/> <u>\$ 3,670,255</u>

FIDUCIARY FUND

School Activities Fund

The School Activities Fund accounts for all individual school activity funds. While these funds are under supervision of the School Board, they belong to the individual schools or their student bodies and are not available for use by the School Board.

CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUND TYPE - AGENCY FUNDS
SCHOOL ACTIVITY FUNDS
FOR THE YEAR ENDED JUNE 30, 2000

	Balance		Balance
	July 1,		June 30,
	1999	Additions	2000
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash	\$ 436,155	\$ 2,140,983	\$ (2,102,254) \$ 474,884
Certificates of Deposit	243,398	6,210	(136,750) 112,858
	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	\$ 679,553	\$ 2,147,193	\$ (2,239,004) \$ 587,742
	<u> </u>	<u> </u>	<u> </u>
LIABILITIES			
Amounts Held for Other Organizations	\$ 679,553	\$ 2,147,193	\$ (2,239,004) \$ 587,742
	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES	\$ 679,553	\$ 2,147,193	\$ (2,239,004) \$ 587,742
	<u> </u>	<u> </u>	<u> </u>

**SUPPLEMENTARY INFORMATION -
GRANT ACTIVITY**

**REPORT ON COMPLIANCE AND INTERNAL CONTROL OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**City of Monroe School Board
Monroe, Louisiana**

We have audited the financial statements of **City of Monroe School Board** (the School Board) as of and for the year ended June 30, 2000, and have issued our report thereon dated December 22, 2000. We conducted our audit in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Louisiana Governmental Audit Guide*, issued by the Louisiana Society of Certified Public Accountants and the Louisiana Legislative Auditor.

Compliance

As part of obtaining reasonable assurance about whether the School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying Schedule of Findings and Questioned Costs as item 00-03. In addition, we noted an immaterial instance of noncompliance that we have reported to management of the School Board in a separate letter dated December 22, 2000.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the School Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their

**City of Monroe School Board
Monroe, Louisiana**

assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses.

This report is intended for the information of management of the School Board, Federal awarding agencies and pass-through entities, other entities granting funds to the School Board and the Legislative Auditor for the state of Louisiana and is not intended to be and should not be used by anyone other than these specified parties.



(A Professional Accounting Corporation)

December 22, 2000

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

**City of Monroe School Board
Monroe, Louisiana**

Compliance

We have audited the compliance of the **City of Monroe School Board** (the School Board) with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major Federal programs for the year ended June 30, 2000. The School Board's major Federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major Federal programs is the responsibility of the School Board's management. Our responsibility is to express an opinion on the School Board's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the School Board's compliance with those requirements.

In our opinion, the School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major Federal programs for the year ended June 30, 2000. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying *Schedule of Findings and Questioned Costs* as items 00-01 and 00-02.

Internal Control Over Compliance

Management of the School Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to Federal programs. In planning and performing our audit, we considered the School Board's internal control over compliance with requirements that could have a direct and material effect on a major Federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgement, could adversely affect the School Board's ability to administer a major Federal program in accordance with the applicable requirements of laws, regulations, contracts and grants. Reportable conditions are described in the accompanying Schedule of Findings and Questioned Costs as items 00-01 and 00-02.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major Federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe none of the reportable conditions described above is a material weakness.

This report is intended for the information of management of the School Board, Federal awarding agencies and pass-through entities, other entities granting funds to the School Board and the Legislative Auditor for the state of Louisiana and is not intended to be and should not be used by anyone other than these specified parties.



(A Professional Accounting Corporation)

December 22, 2000

**CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2000**

Federal Grants/Pass-Through Grantor/Program Title	C.F.D.A. Number	Federal Assistance I.D. Number	Current Year Expenditures
Direct Programs			
U S. Department of Education:			
Impact Aid	84.041	28-LA-00-E-2701	\$ 37,618
Magnet Schools Assistance Program	84.165	Not Available	1,297,952
U S. Department of Defense			
R.O.T.C.	N/A	Not Available	59,994
Total Direct Programs			1,395,564
Pass Through Programs:			
Louisiana Department of Education:			
Title I of ESEA- Educationally Deprived Children - Local Educational Agencies			
2000 Regular	84.010	99-IASA-65-1	2,812,312
1999 Carryover	84.010	98-IASA-65-1	491,770
Total Title I			3,304,082
Special Education - Individuals With Disabilities Education Act (IDEA) Part B, Sections 611-620 Preschool and School Programs:			
2000 Regular	84.027	00-ESYP-65	24,695
2000 Regular	84.027	00-S-65	13,767
2000 Regular	84.027	00-SESI-65	14,468
2000 Regular	84.027	00-FT-65	602,053
2000 Regular	84.173	00-PF-65	48,148
Total Special Education Cluster			703,131

(Continued)

**CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2000**

Federal Grants/Pass-Through Grantor/Program Title	C.F.D.A. Number	Federal Assistance I.D. Number	Current Year Expenditures
Pass-Through Programs:			
Louisiana Department of Education: (Continued)			
Special Education - Individuals With Disabilities Education Act (IDEA) Part B, Sections 611-620			
Preschool and School Programs:			
2000 Regular	84.181	00-CIT5-65	45,296
Program Total			45,296
Total Special Education			748,427
Vocational Education			
Basic State Grants			
2000 Regular	84.048	28-00-CU-2B/BG	188,567
Total Vocational Education			188,567
Title VI of ESEA-			
Federal, State and Local Partnership Educational Improvement			
2000 Regular	84.151	00-IASA-65-6	68,338
1999 Carryover	84.151	99-IASA-65-6	3,482
Program Total			71,820
Class Size Reduction	84.340	Not Available	437,858 *
Total ESEA Title VI			509,678
Title II of ESEA-			
Eisenhower Mathematics And Science Education			
2000 Regular	84.164	00-IASA-65-2	63,136
1999 Carryover	84.164	99-IASA-65-2	15,786
Total ESEA Title II			78,922

(Continued)

**CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2000**

Federal Grants/Pass-Through Grantor/Program Title	C.F.D.A. Number	Federal Assistance I.D. Number	Current Year Expenditures
Pass-Through Programs:			
Louisiana Department of Education: (Continued)			
Drug-Free Schools and Communities (Title IV)			
2000 Regular	84.186	00-IASA-65-4	50,062
Total Drug-Free			<u>50,062</u>
Adult Education -			
State - Administered			
Basic Grant			
2000 Regular	84.002	Not Available	67,140
Program Total			<u>67,140</u>
Challenge Grant	N/A	Not Available	95,605 *
Total Adult Education			<u>162,745</u>
Other -			
Classroom-Based Technology			
2000 Regular	84.318	Not Available	195,256
Technology Literacy Challenge Fund	84.318	Not Available	338,982
Program Total			<u>534,238 *</u>
Mini Grants - Goals 2000	84.276	Not Available	4,704
Total Other			<u>538,942</u>
Total U.S. Department of Education			6,916,995
U.S. Department of Agriculture:			
Pass-Through Programs:			
Louisiana Department of Education:			
National School Lunch Sec II			
2000 Regular	10.555	Not Available	3,199,231
Summer Food Service	10.559	Not Available	109,689
Total Child Nutrition Cluster			<u>3,308,920 *</u>
Total Department of Agriculture			<u>3,308,920</u>

(Continued)

**CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONCLUDED)
FOR THE YEAR ENDED JUNE 30, 2000**

Federal Grants/Pass-Through Grantor/Program Title	C.F.D.A. Number	Federal Assistance I.D. Number	Current Year Expenditures
U S. Department of Labor:			
Pass-Through Programs:			
Ouachita Parish Police Jury:			
Job Training Partnership Act:			
Title II-B Summer Youth	17.250	99/00-81-2B-02	50,000
Jobs for America's Graduates	N/A	6-09-175-3081-2	47,814
Total U.S. Department of Labor			<u>97,814</u>
Corporation for National and Community Service			
Pass-Through Programs:			
Louisiana Department of Education			
Starting Point Grant	94.575	Not Available	<u>98,578 *</u>
GRAND TOTAL			\$ <u><u>10,482,301</u></u>

* Denotes Major Program

See Notes to Schedule of Expenditures of Federal Awards

**CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2000**

A. General

The preceding Schedule of Expenditures of Federal Awards presents the activity of all Federal financial assistance programs of the City of Monroe School Board (the School Board). The School Board reporting entity is defined in Note 1 to the School Board's general purpose financial statements. All Federal financial assistance received directly from Federal agencies as well as Federal financial assistance passed through other government agencies is included on the schedule.

B. Basis of Accounting

The Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the School Board's general purpose financial statements.

C. Relationship to Special Revenue Funds

The following reconciliation is provided to help the reader of the School Board's financial statements and supplementary information relate such information to the Schedule of Expenditures of Federal Awards for the year ended June 30, 2000:

	<u>Title I</u>	<u>Title II</u>	<u>Title VI</u>	<u>Special Education</u>	<u>Drug Free</u>	<u>Class Size Reduction</u>
Total Expenditures	\$ 3,226,623	\$ 76,914	\$ 70,831	\$ 737,262	\$ 48,970	\$ 424,576
Transfer of Indirect Cost	<u>77,459</u>	<u>2,008</u>	<u>989</u>	<u>11,165</u>	<u>1,092</u>	<u>13,282</u>
Expenditures per Schedule	<u>\$ 3,304,082</u>	<u>\$ 78,922</u>	<u>\$ 71,820</u>	<u>\$ 748,427</u>	<u>\$ 50,062</u>	<u>\$ 437,858</u>
	<u>Adult Ed- Vocational</u>	<u>Challenge Grant</u>	<u>Starting Point</u>	<u>Classroom Based Technology</u>	<u>TLCF Grant</u>	<u>Magnet Grant</u>
Total Expenditures	\$ 352,593	\$ 93,350	\$ 95,414	\$ 191,778	\$ 332,526	\$ 1,260,631
Transfer of Indirect Cost	<u>928</u>	<u>2,255</u>	<u>3,164</u>	<u>3,478</u>	<u>6,456</u>	<u>37,321</u>
Expenditures per Schedule	<u>\$ 353,521</u>	<u>\$ 95,605</u>	<u>\$ 98,578</u>	<u>\$ 195,256</u>	<u>\$ 338,982</u>	<u>\$ 1,297,952</u>

In addition, the School Board consumed noncash awards in the amount of \$149,386 in the form of commodities provided by the United States Department of Agriculture.

**CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2000**

Summary of Auditors Results:

- 1) The audit report on the City of Monroe School Board (the School Board) covering the fiscal year ended June 30, 2000 was unqualified;
- 2) No reportable conditions were reported in the audit of the financial statements of the School Board;
- 3) The audit of the financial statements did disclose an instance of noncompliance which is considered to be material to the general purpose financial statements of the School Board and is presented as item 00-03;
- 4) Reportable conditions in the internal control over major programs were reported in the audit of the School Board and are presented as items 00-01 and 00-02, and are not considered material weaknesses;
- 5) The auditors' report on the School Board's compliance with requirements applicable to each major program was qualified;
- 6) The audit of the School Board's compliance with requirements applicable to each major program did disclose findings required to be reported under the provisions of OMB Circular A-133 Section .510(a) which are presented as items 00-01 and 00-02;
- 7) Major Federal programs for purposes of the report on compliance with the requirements applicable to each major program were the Technology Literacy Challenge grant (CFDA No. 84.318); the Class Size Reductions grant (CFDA No. 84.340); the Child Nutrition Cluster (CFDA Nos. 10.555 and 10.559); the Starting Point grant (CFDA No. 94.575); and the Challenge Grant (CFDA No. unavailable);
- 8) The dollar threshold used to distinguish between Type A and Type B programs was \$300,712; and,
- 9) The School Board qualified as a low-risk auditee under the provisions of OMB Circular A-133 section .530.

There was one finding related to the financial statements which is required to be reported under *Government Auditing Standards*, presented as item 00-03:

(Continued)

**CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2000**

The following are findings or questioned costs for Federal awards, including those specified by OMB Circular A-133.

00-01 Activities Allowed or Unallowed – Counting & Claiming

Finding:

The requirements of the National School Lunch Program and School Breakfast Program found at 7 CFR Ch. II require that meals served to eligible children be supported by accurate records and that procedures be in place to ensure accurate counting and claiming of eligible meals. During the fiscal year ended June 30, 2000 the School Food Service (SFS) program of the School Board completed its installation of a computerized point-of-service system which included capturing data for counting and claiming purposes. The United States Department of Agriculture (USDA) conducted a coordinated review effort of the operations of the SFS covering fiscal 1999 and 2000. The USDA concluded that 4 sites of the total SFS operation of 20 sites had inadequate systems for counting and claiming meals for reimbursement under these USDA programs. The coordinated review effort determined that approximately \$15,500 was due back to USDA due to the inaccuracies noted.

Recommendation:

We recommend that the SFS continue to refine its computerized counting and claiming procedures and clearly communicate the requirements of the USDA to cafeteria managers and technicians. The corrective action taken, which was determined to be acceptable to USDA, should be implemented district-wide and be part of the SFS ongoing internal monitoring of compliance with the requirements governing activities allowed or unallowed. In addition, the use of reasonableness checks for each school should be considered which would employ the number of children eligible for free and reduced lunch participation multiplied by that school's average daily attendance factor. The result is then compared to the daily count for free and reduced lunch, with significant variances being investigated and resolved in a timely manner.

Management's Corrective Action Plan:

Management concurs with the audit recommendation. The School District has installed a state-of-the-art computerized school lunch system to include point of service counting. Guidelines and procedures are continuing to be refined and implemented systemwide. A series of inservice sessions have been scheduled for school lunch personnel during the 2000 – 2001 year. Reasonableness checks shall be incorporated into school site reviews.

(Continued)

**CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2000**

00-02 Activities Allowed or Unallowed – Competitive Foods

7 CFR Ch. II also provides regulations for competitive food service. Competitive foods, in general, are foods of minimal nutritional value (e.g., sodas and most concession stand items) sold in competition with the USDA program to children during the lunch period. Subject to certain exceptions, the state agency and school food authority are to establish rules and regulations to control the sale of competitive food during the lunch hour. The Board of Elementary and Secondary Education in Louisiana has promulgated such regulations and communicated them to the SFS. The USDA, in its coordinated review effort, found four schools out of the 20 operating food service operations to be in violation of the competitive foods policy. The instances of noncompliance cited by USDA resulted in the disallowance of approximately \$5,000 in meals.

Recommendation:

The SFS has in place a system of on-site monitoring for compliance with USDA regulations which includes the competitive food policies. In addition, cafeteria managers and principals are inserviced as to the program requirements. Although the lost Federal reimbursement funds were repaid by the schools from their local funds, more emphasis needs to be placed on the importance of compliance. We recommend the SFS draft a policy for Board approval providing for appropriate enforcement proceedings against schools found by the SFS to be in repeated violation of the competitive foods policy.

Management's Corrective Action Plan:

Management concurs with the audit recommendation. SFS shall draft for the Administration a policy for Board approval providing for appropriate enforcement proceedings against schools found to be in repeated violation of the competitive foods policy. This policy shall be presented to the Board for review and adoption during the Spring of 2001.

00-03 Use of Tax Collections

In our review of subsequent cash receipts, we noted a deposit was made into the General Fund on July 15, 2000 which contained approximately \$2.5 million in items styled "loans". These deposit items came from the 1994 Sales Tax Fund and the Bond Redemption Fund. The revenue sources for these funds are voter-approved sales and use taxes and ad valorem taxes, respectively. The sales and use taxes are restricted for payment of salaries and wages and various instructional purposes; the ad valorem taxes are restricted for making debt service payments on the School Board's 1994 and 1995 general obligation bonds, the proceeds of which were used to renovate and construct schools in the school district. While not specifically prohibited by the enabling legislation, the loaning of these tax proceeds are not specifically authorized by that legislation.

(Continued)

**CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONCLUDED)
FOR THE YEAR ENDED JUNE 30, 2000**

Recommendation:

We recommend that the School Board make arrangements with the State Bond Commission and/or the Louisiana Public Facilities Authority for short term loans and/or standby letters of credit when the need arises for short term cash flow financing. Management's intent is that the funds be restored to the Sales Tax fund and the Bond Redemption Fund, including interest at a market rate (which will benefit those funds). However, we feel that by employing financing vehicles such as those previously mentioned will reinforce the School Board's commitment to fulfilling its stewardship obligation over funds entrusted to it by the citizenry and minimize the potential for violation of laws restricting the use of the tax proceeds.

Management's Corrective Action Plan:

Management concurs with the auditor's recommendation. Funds utilized for very short term cash flow borrowing have been redeposited into the respective Fund. Future anticipated borrowing of any duration shall be accomplished through the Louisiana Public Facilities Authority or other such financing vehicle.

**CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
STATUS OF PRIOR YEAR FINDINGS**

There were no findings in Luffey Huffman & Monroe's reports on compliance and internal control over financial reporting dated December 22, 1999 covering the examination of the financial statements of the Monroe City School Board as of and for the year ended June 30, 1999.

The finding in Luffey, Huffman & Monroe's management letter dated December 22, 1999 covering the examination of the financial statements as of and for the year ended June 30, 1999 regarding compliance with certain budget laws is repeated in the management letter dated December 22, 2000 covering the June 30, 2000 fiscal year.

OTHER SUPPLEMENTARY DATA

This section contains information that is presented as additional analytical data.

**CITY OF MONROE SCHOOL BOARD
MONROE, LOUISIANA
SCHEDULE OF COMPENSATION PAID BOARD MEMBERS
FOR THE YEAR ENDED JUNE 30, 2000**

	<u>District</u>	<u>Compensation</u>
Victoria Dayton	1	\$ 9,600
Tony Cain	2	9,600
Mickey Traweek	3	9,600
Jessie Handy	4	9,600
Curtis Armand, President	5	10,800
Stephanie Smith	6	9,600
Brenda Shelling	7	9,600
		<u>9,600</u>
		\$ <u>68,400</u>



Luffey
Huffman
& Monroe

(A Professional Accounting Corporation)
CERTIFIED PUBLIC ACCOUNTANTS

John L. Luffey, MBA, CPA
Francis I. Huffman, CPA
L. Fred Monroe, CPA
Esther Atteberry, CPA
Carolyn A. Clarke, CPA

MANAGEMENT LETTER

**Members of the School Board
Monroe City School Board
Monroe, Louisiana**

In planning and performing our audit of the general purpose financial statements of the **Monroe City School Board** (the School Board) as of and for the year ended June 30, 2000, we considered its internal control structure in order to determine our auditing procedures for purposes of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control structure or overall compliance with laws and regulations.

However, during our audit we became aware of certain matters that are opportunities for strengthening internal controls and the overall environment for compliance with laws and regulations. This letter will summarize our comments and suggestions regarding those matters. This letter does not affect our report dated December 22, 2000 on the general purpose financial statements of the School Board.

1. **Compliance with Local Government Budget Act**

Finding:

State budget laws require local governments in Louisiana (including school districts) to adopt annual operating budgets for the General Fund and all Special Revenue Funds which are considered balanced. That is, expenditures must not exceed estimated funds available (current year revenues plus beginning positive fund balance). In addition, the statutes require the budget be adopted by a specific date (generally September 15 for school districts). In our review of the budget adoption instruments and the minutes of the School Board, we noted that the School Board adopted final revised budgets for the General Fund and the School Food Service Special Revenue Fund in which expenditures exceeded funds available by over \$380,000 and \$32,000, respectively. Further, the budget was adopted at the September 21, 1999 board meeting. Therefore, the School Board has violated the two provisions of the budget law cited above.

Monroe City School Board
Management Letter
Page 2 of 2

Recommendation:

While recognizing that the School Board had the choice between preparing a budget which was realistic and accurate or a budget which was unattainable, the Local Government Budget Act is clear on the point that expenditures shall not exceed funds available. This provision applies to the original budget and any amendments thereto. We also noted that the fiscal 2000 budget was adopted in compliance with the balancing and timing provisions of the statutes. We recommend that the School Board and the Administration continue to work together to monitor the financial position and resources of the school district to provide for sound financial planning to eliminate operating deficits and provide for timely adoption of comprehensive operating budgets.

Management's Corrective Action Plan:

Management concurs with the auditor's recommendation. The administration, in cooperation with the Board, has developed and implemented a three phase deficit reduction plan. On-going monitoring of this plan and review of the system's fiscal position by both the administration and the personnel/finance committees of the Board will continue to ensure the timely adoption of balanced operating budgets.



(A Professional Accounting Corporation)

December 22, 2000